

TOWNSHIP BULLETIN

AND UNIFORM COMPLIANCE GUIDELINES ISSUED BY STATE BOARD OF ACCOUNTS

Vol. No. 258, Page 1

August 2002

ITEMS TO REMEMBER

Per Volume 257, June 2002 Township Bulletin and Uniform Compliance Guidelines, August 31 is the last date for the first publication of a township budget (10 days prior to the public hearing) (IC 6-1.1-17-3).

SEPTEMBER

September 2: Legal Holiday - Labor Day (IC 1-1-9-1)

September 7: Last date for second publication of Township Budgets (3 days before the public hearing). (IC 5-3-1-2)

September 10: Last date for public hearing on proposed budget (at least 10 days prior to the adoption of the budget). Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. (IC 6-1.1-17-5)

September 19: Last date to file appeals for an excessive tax levy. (IC 6-1.1-18.5-12)

As soon as the budgets, tax rates, and tax levies are approved or modified by the county board of tax adjustment, the county auditor shall within fifteen (15) days prepare a notice of the tax rates to be charged on each one hundred dollars of assessed valuation for the various funds in each taxing district. The notice shall also inform the taxpayers of the manner in which they may initiate an appeal of the county board's action.

September 20: Last date to file budgets with County Auditor at least two (2) days prior to the first meeting of the County Board of Tax Adjustment if applicable. (IC 6-1.1-17-5) (Contact Department of Local Government Finance at 317-232-3773 if conflicts exist with date.)

September 20: Last date for meeting of Township Board to make appropriations for 2003 and to fix tax levies. (IC 6-1.1-17-5)

September 22: Meeting of County Board of Tax Adjustment. (IC 6-1.1-29-4) Each County Board of Tax Adjustment, if applicable, shall hold its first meeting of each year on September 22nd or on the first business day after September 22nd if September 22nd is not a business day.

September: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

NOTE: The Township Board should set the salaries of township officials and employees except assessing officials and employees, in conjunction with the preparation and completion of the township budget. (Use Township Form 17)

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**ITEMS TO REMEMBER
(Continued)**

OCTOBER

- October 1: On or before this date all duties of the County Board of Tax Adjustment must be completed, except for a consolidated city or county. (IC 6-1.1-17-9)
- October 14: Legal Holiday - Columbus Day (IC 1-1-9-1)
- October 15: Last day to make pension report and payment for third quarter by townships participating in PERF.
- October 31: Last day to file quarterly report for third quarter to Internal Revenue Service.
- October: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

NOVEMBER

- November 5: Legal Holiday - Election Day (IC 1-1-9-1)
- November 11: Legal Holiday - Veterans=Day (IC 1-1-9-1)
- November 28: Legal Holiday - Thanksgiving Day (IC 1-1-9-1)
- November 30: On or before June 1 and December 1 of each year (or more frequently if the County Legislative Body adopts an ordinance requiring additional certifications) the Trustee shall certify a list of the names and addresses of each person who has money due from the township to the County Treasurer. (IC 6-1.1-22-14)
- November: All local investment officers shall reconcile at least monthly the balance of public funds as disclosed by the records of the local officers, with the balance statements provided by the respective depositories. (IC 5-13-6-1)

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STATE BOARD OF ACCOUNTS CALLED MEETING

Once again the State Board of Accounts anticipates (in accordance with IC 5-11-14-1) calling a meeting of all Township Trustees in conjunction with the Township Convention November 20th through November 23, 2002 in Indianapolis. Many items pertaining to our audits of townships will be discussed at our meeting on Wednesday, November 20, 2002. Please make plans to attend the meeting and the Township Convention.

Please note the day change to Wednesday. The Indiana Township Association has again requested we change the State Board of Accounts meeting date to Wednesday, November 20, 2002.

Also, please note the location change. The Indiana Township Association has changed the meeting location to Union Station, downtown.

We have allowed individuals to pick up Annual Report Packages for other townships at prior meetings. However, several situations have arisen resulting in the townships for whom the packages were picked up, not receiving the information. Therefore, a letter such as the following will be required for anybody to pick up your package at the November 2002 meeting. All other packages will be mailed to the address we currently have on file for each township.

To: State Board of Accounts

From: _____ Township, _____ County

Re: 2002 Annual Report Package

Date: _____, 2002

Dear Sirs:

_____ has my permission to pick up the 2002 Annual Report package for me at the annual meeting for Township Trustees.

Township Trustee

NEWLY ELECTED TRUSTEES

The State Board of Accounts is planning to provide training for newly elected township trustees on Thursday, November 21, 2002. The meeting will be at the Indiana Government Center South Auditorium. We will attempt to contact newly elected township trustees and provide more information concerning the training session to townships and county auditors after the elections in November. Please provide the information concerning the new trustee training to applicable individuals. The meeting will start promptly at 9:00 AM Indianapolis time.

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LUCRATIVE OFFICES – DUAL OFFICEHOLDING

We continue to receive inquiries as to whether township trustees or township board members can hold another office such as school board member while serving as trustee or board member.

Article 2, Section 9 of the Indiana Constitution, states in part "... nor shall any person hold more than one lucrative office at the same time, except as is in this Constitution expressly permitted ...". Official Opinion No. 13 (June 4, 1970) of the Attorney General points out that dual office-holding involves at least six major questions and three particular sections of the Indiana Constitution. The questions are:

1. Is each position a lucrative office within the meaning of the Indiana Constitution (Article 2, Section 9 of the Indiana Constitution)?
2. Is such office-holding in violation of the doctrine of the separation of powers? (Article 3, Section 1 of the Indiana Constitution)
3. Does such office-holding involve a judicial office, and another office of trust and profit under the State? (Article 7, Section 16 of the Constitution of Indiana)
4. Are such offices incompatible with each other?
5. Is there a conflict of interests?
6. Would such office-holding be against public policy?

The Attorney General's Office has consistently stated in numerous unofficial opinions that trustees and board members hold a lucrative office.

Therefore, we are of the audit position that a township trustee or board member should not also hold another lucrative office.

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**SPREADSHEET SOFTWARE UTILIZATION TO GENERATE EXACT REPLICAS
OF PRESCRIBED FORMS**

The Indiana State Board of Accounts prescribes the forms to be utilized in accounting systems, but does not specify the source from which the prescribed forms must be obtained. The use of spreadsheet software may, with the current capabilities of spreadsheet software, in some instances, be an acceptable method of generating exact replicas of prescribed forms.

Spreadsheets may not be utilized to replace functionality that should be an integral function of a computerized accounting system or replace a controlled document for the entry of accounting information. Examples of controlled document type of forms include forms that are required to be either prenumbered by an outside printing supplier or numbered by the accounting system with sufficient controls to prevent unauthorized generation of the form or duplication of control numbers on the forms. These forms include receipts, checks, purchase orders and material receiving documents. Additionally, spreadsheets should not be utilized to generate control documents such as ledgers, receipt registers, check registers, outstanding check lists and similar reports.

Under no circumstances is it acceptable to implement an electronic interface from spreadsheet software directly to the information files of an accounting system without being processed through the same edit and control features as are utilized to ensure the accuracy of information entered manually into the accounting system.

Exact replicas of prescribed forms generated by spreadsheet software may be utilized for forms incidental to the computerized accounting system. Examples of these forms which might be applicable with the aforementioned requirements are: (NOTE, these forms may not be used with a spreadsheet software if the data is directly from information files of an accounting system without being processed through the same edit and control features as are utilized to ensure the accuracy of information entered manually into the accounting system.

- Mileage claim (Form 101)
- Bond Register (Form 53)
- Register of Investments (Form 350)
- Register of Insurance (Form 351)
- Contractor's Combination Bid Bond and Bond for Construction (Form 86)
- Contractor's Bond for Construction (Form 86A)
- Contractor's Bid for Public Work (Form 96)
- Certified Report of Names, Addresses, Duties and Compensation of Public Employees (Form 100R)
- Authorization Agreement for Automatic Deposit (Electronic Funds Transfers Form 368)
- General Fixed Assets (Form 369)

If you have any questions on the utilization of spreadsheet software to replicate a specific prescribed form, please contract Mr. Paul Gray at 317-232-2513 or by e-mail at pgray@sboa.state.in.us.